

SENATE BILL REPORT

SB 5023

As Reported by Senate Committee On:
Early Learning & K-12 Education, January 27, 2021

Title: An act relating to working connections child care eligibility and unemployment benefits.

Brief Description: Concerning working connections child care eligibility and unemployment benefits.

Sponsors: Senators Wilson, C., Saldaña, Billig, Darneille, Das, Dhingra, Hasegawa, Keiser, Kuderer, Liias, Lovelett, Nguyen, Pedersen, Robinson, Salomon and Stanford.

Brief History:

Committee Activity: Early Learning & K-12 Education: 1/15/21, 1/27/21 [DP-WM].

Brief Summary of Bill

- Prohibits the Department of Children, Youth, and Families from counting certain federal unemployment benefits when determining eligibility and co-payment for the Working Connections Child Care program.

SENATE COMMITTEE ON EARLY LEARNING & K-12 EDUCATION

Majority Report: Do pass and be referred to Committee on Ways & Means.

Signed by Senators Wellman, Chair; Nobles, Vice Chair, K-12; Wilson, C., Vice Chair, Early Learning; Hawkins, Ranking Member; Dozier, Hunt, McCune, Mullet and Pedersen.

Staff: Ailey Kato (786-7434)

Background: Working Connections Child Care (WCCC) is a federally and state-funded program that provides child care subsidies to families with an income at or below 200 percent of the federal poverty level—\$43,440 for a family of three. The state pays part of

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the cost of child care when a parent is employed, self-employed, or in approved work or education activities, except in certain circumstances. The family is responsible for making a co-payment to the child care provider based on the family's countable income.

The Department of Children, Youth, and Families (DCYF) administers WCCC. DCYF rule requires unemployment compensation to be counted as income when determining eligibility and co-payment.

During COVID-19, the Federal Pandemic Unemployment Compensation (FPUC), originally under the CARES Act, provided an additional \$600 per week in unemployment benefits for weeks ending on or before July 31, 2020. The Federal Lost Wages Assistance Program (LWA) provided an additional \$300 under the President's memoranda while federal funding was available. Washington State was approved for LWA for the week ending August 1st through September 5th. The Federal Continued Assistance Act provides \$300 in FPUC for weeks beginning after December 26, 2020 and ending on or before March 14, 2021.

Summary of Bill: For WCCC, DCYF must not count any of the following when determining a consumer's income eligibility and co-payment:

- FPUC or any extension of those benefits;
- federal benefits provided under LWA; or
- similar federally funded programs as determined in rule by DCYF in consultation with the Employment Security Department.

If any part of this act is found to be in conflict with federal requirements that are a condition for federal funding, the conflicting part of the act is inoperative solely to the extent of the conflict and with respect to the agencies directly affected. Rules adopted under this act must meet federal requirements that are a necessary condition to the receipt of federal funds.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: The bill contains an emergency clause and takes effect immediately.

Staff Summary of Public Testimony: PRO: Some families were cut off from accessing child care subsidies because they received one-time and short-term assistance during the pandemic. This makes it difficult for families, who are already struggling, to get back to work. The pandemic has worsened the child care crisis in this state and is causing a barrier to economic recovery. Parents are turning down jobs and are having difficulty reporting for employment because of child care issues. Data shows that fewer women, especially women

of color, are in the workforce, and they are disproportionately losing their jobs and increasing their caregiving responsibilities. Essential workers and low-wage workers need child care, and child care can be as expensive as a second mortgage. Maintaining access to child care subsidies also provides continuity of care for children, which matters for healthy child development.

Persons Testifying: PRO: Senator Claire Wilson, Prime Sponsor; Amy Anderson, Association of Washington Business; Claire Kenneally, Child Care Resources; John Burbank, Economic Opportunity Institute; Casey Osborn-Hinman, MomsRising.

Persons Signed In To Testify But Not Testifying: No one.